

Excise Tax Act

suggests that he has only heard a repetition of arguments that were made on all clauses and stages of the bill; but those arguments are still good and sound, and they have not been answered. He further suggests that the Minister of Finance dealt with them, but in reply I would say anything but adequately. He left the statements completely unanswered.

I would also point out to the minister that the finances of the country were in excellent shape when we left office. In fact I do not think there can be any shadow of doubt that they were in a lot better shape than they are now. It is obvious the country has lost confidence in the government ever since the budget came down. It was an atrocious budget and had the unique achievement of increasing both taxation and the deficit.

I suggest that the government should start thinking of cutting both extravagance and taxes. It has saddled the country with some grandiose schemes which are very costly and only add to the burden of taxation without contributing to the economic activity or employment.

There can be no greater argument or illustration of how unpopular this particular tax is than the action of the government when it brought in an 11 per cent tax and immediately reduced it to 4 per cent. These magic men across the way have definitely been found wanting, and I am glad to see we are receiving the support of the other parties. I realize, as has been pointed out today, that they did not support the opposition at the time of the budget division, but now I am glad to note that they are seeing the error of their ways, and I suggest that if they had supported us at that time—

Mr. Gregoire: We do not support you. We are against the tax, and that is not the same thing.

Mr. Monteith: You certainly were for the tax at the time of the budget. In conclusion I point out that this amendment accomplishes what should be done for the people of Canada. If this tax is passed it will heap cost on cost on projects such as the Columbia river development, as was pointed out shortly before the luncheon recess. This tax will cause unemployment. I am as convinced of that as I could be, and I am sure this has already been demonstrated to the country at large.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I suppose they are famous words for one to use, that he did not intend to take part in a debate. Such is the case, but because of the things that have been said I have one word for the Conservatives and a word or two for the government.

[Mr. Monteith.]

My word for the Conservatives is that we are going to vote for their amendment despite the things they have said to try and dissuade us from doing so. We have been opposed to this sales tax right from the start. We have at no time voted for it. We sought to move an amendment when we were in committee on the resolution stage, in order to get rid of it, and we now welcome the opportunity to vote against it at this final stage.

My word or two for the government arise from the remarks of the Minister of Trade and Commerce, and if perchance he is to be the next Minister of Finance then all I can say is that the more things change the more they are the same. Speaking today as Acting Minister of Finance he said that we on this side of the house were voting against this tax merely because it was unpopular. There is no doubt about its unpopularity; but the leader of the New Democratic party made it very clear, in his effective speech not long ago, that we are voting against the tax because we believe it will increase unemployment.

We believe that this tax on the construction industry, and on the other things to which it is to apply, will work against the very object which the government said it was important to do something about namely increasing employment. Therefore we want the Minister of Trade and Commerce to know it is because of the fallacious arguments behind this tax, and the fallacious arguments he put forward in attempting to defend it, that we are now voting for the amendment and against the extension of the sales tax.

Mr. Speaker: Is the house ready for the question?

Some hon. Members: Yes.

The house divided on the amendment (Mr. Diefenbaker) which was negatived on the following division:

YEAS

Messrs:

Aiken	Fleming (Okanagan- Revelstoke)
Alkenbrack	Forbes
Barnett	Frenette
Belanger	Gauthier
Bell	Gregoire
Boutin	Gundlock
Cameron (Nanaimo- Cowichan-The Islands)	Hamilton
Cardiff	Harkness
Chatterton	Herridge
Churchill	Horner (The Battlefords)
Crouse	Jorgenson
Danforth	Knowles
Diefenbaker	Korchinski
Dionne	Lamb
Doucett	Latulippe
Douglas	Lessard (Lake St. John)
Fane	MacEwan
Fisher	MacLean (Queens)